

Home Rehabilitation Assistance

Assistance to repair your home may be available in the form of a **no interest loan**, a portion of which may be **forgiven** over a period of time. Loan / grant amounts depend upon the specific funding sources available. While the average amount applicants receive is approximately \$22,500, the Redevelopment Authority may loan / grant additional funding based on Individual need. Assistance is available **based on your income**. Read below to determine if you qualify for the Homeowner Rehabilitation Program.



Assistance Available Based on Income

In order to qualify for assistance, applicants must make **less than the amounts shown** in the following table:

Family Size	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Annual Income Limits	\$46,500	\$53,150	\$59,800	\$66,400	\$71,750	\$77,050	\$82,350	\$87,650

Note: These income limits are updated annually by the U.S. Department of Housing and Urban Development (HUD). Potential applicants should check with The Redevelopment Authority of the County of Fayette, Pennsylvania for current income limits as they may be changed without notice.

How do I determine my Income?

All income for **all adult household members** received during a **12-month** period must be counted.

All income sources below **must** be included:

- Gross wages and salaries - before payroll deductions, overtime pay, commissions, fees, tips, and bonuses.
- Net income from the operation of a business or profession including rental of real or personal property.
- Interest, dividends, and other income from family assets.
- Full amount of periodic payments received from Social Security after deductions of Medicare premiums (including social security received by adults on behalf of minors or by minors intended for their own support).
- Payments in lieu of earnings, such as unemployment and disability compensation, workman's compensation, and severance pay.
- Periodic and determinable allowances - such as alimony and child support payments, and regularly recurring contributions or gifts received from person not residing in the dwelling.
- Income received from annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- All regular pay, special pay, and allowances of a member of the armed forces who is head of the family of spouse, whether or not that family member lives in the unit.
- Any earned income tax credit to the extent it exceeds income tax liability.

About the Redevelopment Authority of the County of Fayette

The Redevelopment Authority of the County of Fayette (RACF) has successfully administered housing rehabilitation programs for over 40 years. Since 1975, the RACF has facilitated aid to over 1,500 households utilizing local, state, and federal resources. These resources are critical to enabling the rehabilitation of households, thereby inhibiting blight and resident displacement.

Homeowner Rehabilitation Program Partners:

- Pennsylvania Department of Community and Economic Development (DCED) | newpa.com
- U.S. Department of Agriculture - Rural Housing Service (USDA-RHS) | usda.gov
- U.S. Department of Housing and Urban Development (HUD) | hud.gov
- Fayette County Township Supervisors and Boroughs
- Fayette County, Pennsylvania - Board of Commissioners
co.fayette.pa.us



The Redevelopment Authority of the County of Fayette

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724.437.1547 | TDD/TYY: **800.877.8339**
Fax: 724.437.0731 | racfpa.org

"Helping to maintain homeownership and the stability of communities throughout Fayette County"



The Redevelopment Authority of the County of Fayette, PA is an equal opportunity provider and employer.

Homeowner Rehabilitation Program

A program administered by the Redevelopment Authority of the County of Fayette, PA



Updated 06-11-20

About the Homeowner Rehabilitation Program

This program offers **no interest loans**, a portion of which may be **forgiven** over a period of time, to qualified homeowners in Fayette County. This allows homeowners - especially lower-income working families, the disabled, and the elderly - to repair their homes with the aid of much needed financial assistance provided by the Redevelopment Authority to prevent displacement.

Program FAQs

Who qualifies for assistance?

Any owner-occupant who meets the program's income guidelines (see chart on reverse of this page) and who does **not** live in the cities of Uniontown or Connellsville (they maintain their own homeowner assistance programs) may apply. Applicants must own the home, and it must be their principal residence. A copy of an executed and recorded deed is needed to verify ownership. Homeowner's must also have satisfactory credit, be current on all property taxes and mortgage payments, have a current homeowners insurance policy, and cannot have an open bankruptcy.

How much do I have to pay?

Applicants may be required to pay a nominal processing fee in order to schedule a Risk Assessment of the home prior to work. This assessment will identify any lead hazards in the home. Repayment of the applicant's loan is based on the homeowner's age and ability to repay.

What types of loans are available?

Payback Loan

For borrowers under age 65, repayment is based on the ability to repay, using 30% of income as the total amount a family should pay for shelter costs. To calculate the payment amount under this type of loan, mortgage payments, real estate taxes, property insurance and utility costs are subtracted from 30% of the total household income.

Deferred / Forgiveness Loans

If a borrower's net shelter cost amount is not sufficient to repay the loan's principal within 20 years, or if the borrower is over the age of 65 or permanently and totally disabled, the entire principal amount may be deferred until the sale of the property and no monthly payment will be required. The Authority may also **forgive** a portion of these loans over a period of time.

Note: In all cases a mortgage is placed against the property to insure the repayment of the loan.

What work can be done?

Only code items or health and safety hazards will be addressed through this program.

(no remodeling)

Some examples of repair work include:

- Repair and replacement of roofs and furnaces
- New electric or plumbing
- Replacement of windows and doors
- General stabilization and safety improvements

A copy of the Redevelopment Authority's Technical Specifications will be provided to applicants at the time of application.

Who does the work?

Homeowners can select their own contractors; however, prior to selection the contractors must be pre-approved by the Redevelopment Authority. In order to be approved, contractors must be reputable, be registered with the Commonwealth of Pennsylvania, carry proper insurance (at least \$300,000 in Workers Compensation, Bodily Injury, and Property Damage), and be certified to perform work in accordance with federal lead-based paint safe work practices.

Can I do my own work?

No. All work must be completed by a pre-approved contractor. This does **not** prevent the homeowner from completing work prior to receiving assistance through the Redevelopment Authority in order to reduce the total amount borrowed that is necessary for rehabilitation.

How is the contractor paid?

Contractors do **not** receive any up-front payments. The contractor can receive two (2) progress payments, minus a 20% retainage, and a final payment. Homeowners will receive an invoice for completed work and, once the work is inspected and approved, a dual-payee check will be issued by the Redevelopment Authority. In all cases, the homeowner must co-sign in order to issue payment to the selected contractor.

Can I sell my property when I want?

Borrower's may sell their property at any time; however, the amount owed on the loan at the time of sale would be due to the Redevelopment Authority of the County of Fayette, PA.

SEE THE DIFFERENCE A CALL CAN MAKE!

BEFORE



AFTER



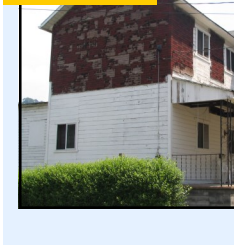
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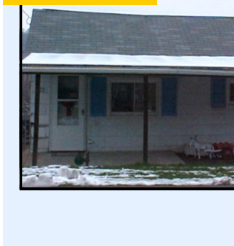
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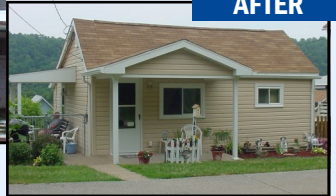
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CONTACT the Redevelopment Authority of the County of Fayette TODAY to apply: CALL: 724.437.1547 - TDD/TYY: 800.877.8339 ~ OR ~ VIST our Website: racfpa.org

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